



FULL-DOC ALT-DOC BLUE STEEL

- **1-Year Full Doc:** Borrowers may qualify with 1 year of tax returns, P&Ls or Paystub & most recent W-2 or written VOE referencing prior year and most recent year to date.
- **12-Month Bank Statements:** Self-employed borrowers may qualify using bank statements, in lieu of tax returns, to support self-employed income for qualification purposes.
- **1-Year 1099:** Borrowers who are independent contractors, freelancers, or otherwise self-employed in the "gig economy" may qualify with 1099 statements in lieu of tax returns, to support their income.
- **12-Month Profit and Loss (P&L) Statement:** Self-employed borrowers may qualify using a CPA prepared 12-month Profit & Loss (P&L) Statement for a period ending within 60 days of closing. In this matrix, the term CPA is used generically to refer to a licensed CPA, certified tax preparer, or enrolled agent.

LTV Matrix – Fixed Rate, ARM and I/O

Occupancy	Purpose	Loan Amount Maximum	Unit	Credit Score Minimum	LTV	Max DTI
Primary Residence	Purchase and Rate/Term	\$3MM	1	740	80%	50%
		\$3MM	1	720	75%	
		\$3MM	1	700	70%	
		\$3MM	1	680	65%	
		\$2.5MM	1	720	80%	
		\$2.5MM	1	700	75%	
		\$2.5MM	1	680	70%	
		\$2MM	1	720	85%	
		\$2MM	1	700	80%	
		\$2MM	1	660	75%	
		\$1.5MM	1	680	85%	
		\$1.5MM	1	660	75%	
		\$1MM	1	700	90%	
		\$3MM	2-4	720	75%	
		\$3MM	2-4	700	70%	
		\$2.5MM	2-4	700	75%	
	\$2MM	2-4	700	80%		
	\$2MM	2-4	660	75%		
	\$1.5MM	2-4	680	80%		
	Cash-Out	\$3MM	1	720	70%	
		\$3MM	1	700	65%	
		\$2MM	1	700	75%	
		\$2MM	1	680	65%	
		\$2MM	1	660	60%	
		\$1.5MM	1	680	80%	
		\$1.5MM	1	660	70%	
\$2.5MM		2-4	700	65%		
\$2MM		2-4	700	70%		
\$2MM		2-4	680	65%		
\$2MM	2-4	660	60%			
\$1MM	2-4	660	70%			





LTV Matrix – Fixed Rate, ARM and I/O

Occupancy	Purpose	Loan Amount Maximum	Unit	Credit Score Minimum	LTV	Max DTI
Second Home	Purchase and Rate/Term	\$2.5MM	1	700	75%	50%
		\$2MM	1	700	80%	
		\$2MM	1	660	70%	
		\$1.5MM	1	680	80%	
	Cash-Out	\$1.5MM	1	660	75%	
		\$2MM	1	700	70%	
		\$2MM	1	680	65%	
		\$2MM	1	660	60%	
Investment	Purchase and Rate/Term	\$1.5MM	1	660	70%	
		\$2MM	1	700	80%	
		\$2MM	1-4	680	75%	
		\$2MM	1-4	660	70%	
	Cash-Out	\$1.5MM	1-4	680	80%	
		\$2MM	1	700	70%	
		\$2MM	1-4	680	65%	
		\$2MM	1-4	660	60%	
		\$1MM	1-4	660	70%	

- **First Time Homebuyers:**
 - 680 minimum credit score
 - LTVs > 80%: Max 45% DTI
 - LTVs ≤ 80%: Max 50% DTI
 - **Note:** Borrower(s) who have 24 months rental history documented are NOT subject to FTHB FICO and DTI restrictions
- **Rural property:** Max 70% LTV/CLTV on purchase and rate/term transactions and max 70% LTV/CLTV on cash-out transactions.
- **Cash-Out transactions:** Max cash in hand of \$1MM for LTV/CLTVs ≤ 70% and Max cash in hand of \$750,000 on LTV/CLTVs > 70%

Program Overview

Amortization Type	Full Principal and Interest: <ul style="list-style-type: none"> • 30 Year Fixed Rate • 7 /6 SOFR ARM Interest Only: <ul style="list-style-type: none"> • 30 Year and 40 Year Interest only Fixed Rate • 7 /6 SOFR Interest only ARM
ARM Information	Caps: 2/2/5 Index: 30 Day SOFR Margin: 3.75% Floor: Margin
Appraisal Requirement	<ul style="list-style-type: none"> • One appraisal is required for loan amounts ≤ \$2,000,000. • Two appraisals are required for loan amounts > \$2,000,000. • Follow the BluePoint Selling Guide for Collateral Review requirements.
Borrower Contribution	LTV/CLTV 80% or less – gift funds allowed LTV/CLTV greater than 80%: 1 unit, all funds can come from a gift LTV/CLTV greater than 80%: 2-4 units, 5% min. borrower contribution

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Program Overview

Borrower Eligibility	Eligible: <ul style="list-style-type: none"> • US Citizens • Permanent Resident Aliens • Non-Permanent Resident Aliens • First Time Homebuyers • LLCs and Corporations Ineligible: <ul style="list-style-type: none"> • Foreign National Borrowers • Non-Occupant Co-Borrowers not allowed on 1099, Bank Statement or P&L Loans
Credit/Payment History Requirements	<ul style="list-style-type: none"> • No foreclosure/bankruptcy/short sale within last 48 months • All applicant(s) and co-borrowers must meet the credit score requirements individually . • Non-traditional credit report is not permitted . • Payment history requirements: 0x30x12 mortgage/rental history on the subject property and all financed REOs under the borrower's name.
Impound/Escrow Accounts	Escrow funds/impound accounts may be waived for taxes and hazard insurance. See rate sheet for restrictions.
Minimum Loan Amount	\$125,000
Number of Financed Properties	<ul style="list-style-type: none"> • A single borrower can have no more than 20 financed properties including subject property. All properties in which the borrower is personally obligated must be included in the financed property maximum. • Investment Property, each borrower may not have more than either an aggregate unpaid principal balance amount of \$5MM or more than 10 loans (including the subject property) financed with Blue Steel guidelines.
Occupancy	<ul style="list-style-type: none"> • Primary Residence • Second Home • Investment Property
Prepayment Penalty	Allowed on Investment properties. May be subject to up to a five-year prepayment penalty or the maximum permitted by state law, whichever is lower.
Property Types	Eligible: <ul style="list-style-type: none"> • 1-4 unit (Detached, Semi Detached, Attached) • PUD (Detached, Attached) • Warrantable Condominium (Detached, Attached)
Reserve Requirements	<ul style="list-style-type: none"> • Loan Amount ≤ \$1.5MM: <ul style="list-style-type: none"> ○ LTV ≤ 85%: 6 months of PITIA ○ LTV > 85%: 12 months of PITIA • Loan Amount > \$1.5MM-\$2.5MM: 9 months of PITIA • Loan Amount > \$2.5MM: 12 months of PITIA • Cash out proceeds may be used to satisfy reserve requirements up to a 70% LTV/ CLTV
Secondary Financing	Allowed





Program Overview

<p>Tax Transcripts</p>	<p>1-Year Full Doc Tax-return: A signed 4506-C and IRS Tax Transcripts for the most recent year must be obtained during the loan process or at closing.</p> <p>1-Year Full Doc Wage Earner or when an additional W-2 is used: A signed 4506-C and W-2 Transcripts for the most recent year must be obtained during the loan process or at closing.</p> <p>1099: A signed 4506-C and IRS 1099 Transcripts are required.</p> <p>Bank Statements: A signed 4506-C and IRS Tax Transcripts are not required.</p> <p>CPA Prepared P&L - Income Verification: A signed 4506-C must be obtained during the loan process or at closing.</p>
<p>Transaction Types</p>	<p>Eligible:</p> <ul style="list-style-type: none"> • Purchase • Rate/Term Refinance • Delayed Financing as a Rate/Term transaction • Cash Out Refinance • Texas 50(a)(6) Rate Term and Cash Out refinances
<p>Underwriting</p>	<p>Manual underwriting required. AUS not allowed.</p>